

SUMMARY AND THESIS

Csaba Deák
CHANGE, CHANGE MANAGEMENT, REENGINEERING
IN HUNGARIAN CORPORATE PRACTICE
Ph.D. dissertation

The objectives of current research have been to uncover special areas concerning change management and reengineering and to investigate the conscious, organizational change for improving performance in the Hungarian economic environment. The dissertation attempts to answer the management and organizational questions which have arisen about domestic change projects.

In the first part of the last decade management science looked at reengineering as some new curiosity, but since then it has found its place as continuous improvement in the management theories and today companies take a growing interest in it.

The dramatic increase in performance and effectiveness, and the intervention plans are topical activities for all who lead the change consciously in Hungary. The fast advance of the transnational and international companies also contributed to reengineering to be increasingly used in practice and to be focused on.

To meet the requirements of the research project, the knowledge basis of change management theories including an analysis of the categories involved in reengineering had to be investigated.

First of all the author searched the authoritative literature of change and change management themes which he then grouped by nature, areas, tactics of change and change management and by the different kind of approach like participation, project, and political approaches. The topics of change of process (BPM -Business Process Management, process benchmarking etc.) receive a special emphasis.

In order to get an insight into the reengineering he studied, compared and analyzed numerous papers. The identification of reengineering and its differentiation from other approaches, factors of its evolution, its wideness and deepness in organization and roles and personages in radical change are also given special attention. Additionally he analyzed the models of reengineering and its effects on organizations and companies, the source of failures, errors and successes.

In the empirical research he used various research instruments: a survey by questionnaires, case studies, interviews in Hungarian companies and organizations. The objective of all of them, has been to find and collect the domestic specialties, failures, results and effects.

To summarize of research the special Hungarian characteristics were emphasized and a change management methodology was created regarding the domestic circumstances. This method has nine separate steps:

1. Preparation
2. Analysis of circumstances, process identification
3. Understanding and analysis of processes
4. Definition of functional objectives
5. Designing of new processes
6. Technical planning
7. Human resource planning
8. Implementation
9. Evaluation of change

The steps have been planned as phases of a change project for more successful practical use. By the achievement of each step the project team achieves a further considerable milestone. The dissertation contains the tasks with complete details, which have to be prosecuted in each step and the applicable techniques for change actions.

Furthermore new and original statements are made, which deal with the achievement of change, the role of information technology, objectives and results of reengineering and with the role of reengineering in Hungary. In general reengineering in our country is present together with other approaches (p.e. TQM) or as part of comprehensive in the practice.

The structure of the dissertation has been built up according to research methodology recommendations. After a short introduction the determinant literature of change and reengineering topics is discussed. The most important concepts from change, conscious change, change management to radical approach and reengineering are reviewed and defined. Then the conceptualization and the hypotheses composed on the literature and international experiences follow. The next part of the dissertation selects the research methods belonging to assessment of assumptions and then an analysis of the collected data and information can be found. The following chapter is the detailed presentation of the methodology including tasks, techniques, steps, which has been built up by the research and investigation. After the key statements and the summary of achievements of the research, the potential consequences of results are described. The appendices with several additions and synthetic tables form an organic part of the dissertation.

The achievements of the research can be utilized both so in practice and in higher education and further research. The developed methodology can help towards project teams to fit with their mission and in building up a higher level of confidence in the reengineering process. Additionally, the attitude accepting change and continuous learning will increase in the corporate culture. The key statements and theses of research can act as guidelines for further research and practice as well.

Thesis

1. The owners, following a conscious strategy behavior, take a primary and significant role as initiators of radical change projects inside the organizations in Hungary. The consultants co-operate especially in the planning and the realization phase of the changing.
2. The reengineering – worked for the Hungarian practice – has 9 steps. These are the followings:
 - a. Preparing
 - b. Examination of the situation, identification of the process
 - c. Analysis and understanding of the process
 - d. Definitions of the aims
 - e. Plan of the new processes
 - f. Technical plans
 - g. Human research plans
 - h. Realization/Implementation
 - i. Evaluation of the change
3. The leaders of the Hungarian companies grant the less hard tools to decrease the resistance successfully. Consequently, the acceptance of the change is based on communication, arguing, training and discussion. On the other hand, threatening and manipulation are used rarely.
4. In Hungary there is a connection between the change of the processes and the motivation system.
5. Persons taken part in the change projects play different roles to achieve their goal. The project manager is the key-figure.
6. An effective change cannot be reached without an informatics support, requiring the demands of the age because it plays an important role either in the analysis preparing the decisions, or in the realization of the change. In Hungary the IT developments show some deficiency both in the aspect of quality and reliability. The imperfect IT developments ruin the effects of the change projects.
7. The perfect IT developments bring less countable, but very good results in the increase of the output. In connection with this the level is widening against the employees, because their work is an integral part of the process and through them, their cooperation has influence on the whole of the project. From them, the same work is required than from workers of other types of the projects. Consequently, the IT expert moves from the separating specialization to the direction of the expert of the heterogeneous group.
8. Not depending from the original aim – the changing has an affect on other factors of the company, too. (aim, technology, processes, structure, people) In the case of the Hungarian companies – still often – these are the projects – aiming to change the structure – that start and after they deal with the information of the processes.

9. In Hungary the decrease of the dealing levels realized by the reengineering – do not exist.
10. Among the aims of the Hungarian reengineering projects still exist the information-flow necessary for the decision and the better level. Besides this, the decrease of the prices and the better profit are the most important. The results appear in the area of market surviving, better financial checking and the exact information; less appear in the increase of motivation level of the employees.
11. In practice the reengineering appears with other approaches or as part of them.
12. Not depending from the original aim – the changing has an affect on other factors of the company, too. (Aim, technology, processes, structure, people) In the case of the Hungarian companies – still often – these are the projects – aiming to change the structure –, which start, and after they deal with the information of the processes.